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MARKET

NEWS

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on Cotton

The **MARKET NEWS SERVICE** on Cotton

WHAT IS COTTON MARKET NEWS ?

Cotton market news—a service of the U.S. Department of Agriculture—consists of up-to-the-minute information on prices, quality, and market conditions for cotton, cottonseed, and cottonseed products. The Cotton Division of USDA's Agricultural Marketing Service issues reports on a daily, weekly, monthly, and annual basis to help cotton producers, buyers, sellers, and others in the cotton industry make intelligent marketing decisions.

HOW IS THE INFORMATION GATHERED ?

Cotton Division field representatives and market news reporters gather cotton market news—serving as the “eyes and ears” of the cotton industry. They collect information mostly through personal interviews with farmers, ginner, buyers, merchants, and cotton exchange representatives. During the harvest season, they visit cotton gins, warehouses, compresses, and virtually every other point in their territories where cotton is assembled, stored, or marketed.

They also obtain market news for cottonseed and cottonseed products from cotton gins, cottonseed oil mills, brokers, merchants, and processors.

They gather price and market information by telephone and through mailed questionnaires

from both buyers and sellers. Altogether, Cotton Division personnel conduct more than 100,000 interviews annually to gather market information.

HOW IS COTTON MARKET NEWS DISTRIBUTED?

Daily and weekly cotton market news is disseminated through local newspapers, radio and television stations, wire services, and mailed reports. In addition, daily summaries of market news are available by telephone recorder services installed in many offices. Daily and weekly market information, outlining current market conditions and prevailing prices, is made available across the nation through USDA's leased wire network.



WHAT REPORTS ARE AVAILABLE?

■ Reports Issued by Local Cotton Marketing Services Offices

Daily and weekly summaries of prevailing prices and a discussion of price-making factors are provided during the marketing season to newspapers, and radio and television stations by local cotton marketing services offices in:

ALABAMA

Birmingham (205) 254-1162

ARIZONA

Phoenix (602) 261-3414

ARKANSAS

Little Rock (501) 378-6025

CALIFORNIA

Bakersfield (805) 861-4231

El Centro (714) 352-3153

Fresno (209) 487-5342

GEORGIA

Macon (912) 474-2831

LOUISIANA

Winnsboro (318) 435-3751

MISSISSIPPI

Greenwood (601) 453-7482

MISSOURI

Hayti (314) 359-1920

OKLAHOMA

Altus (405) 482-4232

SOUTH CAROLINA

Florence (803) 667-4381

TENNESSEE

Memphis (901) 521-2944

TEXAS

Abilene (915) 677-7066

Austin (512) 397-5855

Corpus Christi (512) 888-3152

Dallas (214) 767-5313

El Paso (915) 543-7408

Harlingen (512) 423-2856

Lamesa (806) 872-8879

Automatic telephone answering devices offer “instant” market news reports during the active marketing season at several locations. The devices provide tape-recorded reports that are updated daily and are available around the clock. The availability and scheduling of these devices varies from season to season. The telephone numbers are also subject to change by the local telephone company. For information concerning locations, season of operation, and current telephone numbers, please contact the Market News Section in Memphis, Tenn. Telephone (901) 521-2934

■ Reports Issued by the National Market News Section

DAILY SPOT COTTON QUOTATIONS—issued each trading day throughout the year, containing price quotations in each of the designated spot cotton markets. The daily volume of spot cotton purchases as reported by the cotton exchange in each designated market is carried in the report. Daily closing prices for New York futures contracts are included.

WEEKLY COTTON MARKET NEWS—Southern and Western States—summarizing market conditions and factors affecting supply and demand, and trading activity in the major production areas. Spot prices are listed in tabular form.

WEEKLY COTTON MARKET REVIEW—covering developments and activity in the cotton market and presenting a synopsis of market conditions for the entire cotton belt.

WEEKLY COTTONSEED REVIEW—issued weekly during the active harvest season, providing information on the movement of cottonseed, prices paid for seed by ginner and oil mills, and prices received by oil mills for cottonseed products. The report also lists in tabular form prices paid farmers for cottonseed and the range and grades of cottonseed, on the basis of marketing services office territory and State.

WEEKLY REPORT ON QUALITY OF COTTON CLASSED UNDER THE SMITH-DOXEY ACT—Southern and Western States—issued weekly during the harvest season, containing percentage distributions of the quality of cotton classed for farmers at each marketing services office during the preceding week, as well as cumulative figures for the season. Information is presented on grade, staple, fiber fineness, and strength.

COTTON FIBER AND PROCESSING TEST RESULTS—prepared and published approximately every two weeks during the harvest season, reporting fiber properties and spinning performance of cotton from all major commercial production areas in the United States. Results of fiber and spinning tests are summarized in a comprehensive report at the end of harvesting season.

MONTHLY COTTON LINTERS REVIEW—the only publication, public or private, that regularly reports on economic conditions prevailing in the market for cotton linters.

MONTHLY LONG STAPLE COTTON REVIEW—condensing market conditions for long staple upland cotton and extra long staple American Pima cotton. Current statistics are listed in tabular form.

UNITED STATES QUALITY OF COTTON GINNINGS, STATE AND NATIONAL STATISTICS—issued monthly during the harvest season, containing State and national estimates on the quality of cotton ginned—by grade, staple, fiber fineness, and strength.

COTTON PRICE STATISTICS—issued monthly, containing a summary of prices compiled and

averaged by months, and cumulatively for the season, with comparative price data for preceding periods.

COTTONSEED QUALITY—issued annually, containing statistics on the quality of cottonseed delivered to oil mills during the crop year, with comparative data for the preceding year.

COTTON VARIETIES PLANTED—issued annually, showing the cotton acreage planted, by variety, on a county, State, and national basis.

COTTON QUALITY, CROP OF (YEAR)—issued annually, presenting quality statistics for the crop, by months, marketing services offices, States, and the entire country. Comparative data for preceding crops are included.

COTTON QUALITY, SUPPLY-DISAPPEARANCE-CARRYOVER—issued annually, containing estimates of the qualities of cotton in the current supply and in carryover (end-season stocks).

GLOSSARY OF TERMS USED IN FEDERAL-STATE MARKET NEWS REPORTS

Although each farm commodity has a language all its own, the need for a standardized terminology for market news became apparent in recent years. With wider dissemination of cross-commodity market news summaries, the confusion of having a different language for each commodity had to be eliminated. The following terms were adopted in June 1975 for use in all USDA and Federal-State market news reports:

MARKET—A term with several meanings;
A geographic location where a commodity is traded.
The price, or price level, at which a commodity is traded.
To sell (verb).

MARKET ACTIVITY—The pace at which sales are being made.

active—Available supplies (offerings) are readily clearing the market.

- moderate**—Available supplies (offerings) are clearing the market at a reasonable rate.
- slow**—Available supplies (offerings) are not readily clearing the market.
- inactive**—Sales are intermittent with few buyers or sellers.
- PRICE TREND**—The direction in which prices are moving in relation to trading in the previous reporting period(s).
- higher**—The majority of sales are at prices measurably higher than the previous trading session.
- firm**—Prices are tending higher, but not measurably so.
- steady**—Prices are unchanged from previous trading session.
- week**—Prices are tending lower, but not measurably so.
- lower**—Prices for most sales are measurably lower than the previous trading session.
- SUPPLY/OFFERING**—The quantity of a particular item available for current trading.
- heavy**—When the volume of supplies is above average for the market being reported.
- moderate**—When the volume of supplies is average for the market being reported.
- light**—When the volume of the supplies is below average for the market being reported.
- DEMAND**—The desire to possess a commodity coupled with the willingness and ability to pay.
- very good**—Offerings or supplies are rapidly absorbed.
- good**—Firm confidence on the part of buyers that general market conditions are good. Trading is more active than normal.
- moderate**—Average buyer interest and trading.
- light**—Demand is below average.
- very light**—Few buyers are interested in trading.
- MOSTLY**—The majority of sales or volume
- UNDERTONE**—Situation or sense of direction in an unsettled market situation.

GLOSSARY OF COTTON TRADING TERMS

- CENTRAL MARKET**—Market where a substantial volume of spot cotton is traded.
- CLASSING**—The determination of the grade, staple length, and micronaire reading of the cotton in sample.

COTTON LINTERS—The short fuzzy fibers which cover the cottonseed after the cotton has been ginned.

FIBER STRENGTH—An indication of the ability of cotton fibers to withstand force or tension, an important factor in spinning.

FUTURE'S PRICE—Price at which cotton futures contracts are transacted—established at an organized futures exchanged.

LANDED PRICE—Price for actual bales of cotton delivered, with all charges paid, to a specified location such as a textile mill or ship.

LOCAL MARKET—Small country market (e.g., cotton gin points) at which farmers sell cotton.

MICRONAIRE—A reading provided by an airflow instrument indicating fiber fineness and maturity; an important guideline to the spinning performance of cotton.

SPOT COTTON—Actual bale(s) of cotton.

SPOT COTTON MARKET—A place where sales of actual cotton take place.

SPOT PRICE—A price at which actual bales of cotton are traded.

SPOT SALE—Any transaction involving a transfer of ownership of actual bales of cotton.

STAPLE LENGTH—The length, by measurement, of a typical portion of cotton fibers selected at random from a sample.

WHERE TO GET MORE INFORMATION

For more information about Cotton Market News, or to obtain printed reports listed, please contact:

Market News Section
Cotton Division, AMS-USDA
4841 Summer Avenue
Memphis, TN 38122
(901) 521-2934

Check the reports you wish to receive:

☐ **COTTON MARKET NEWS**(weekly)—Southern and Western States

☐ **COTTON MARKET REVIEW** (weekly)

QUALITY OF COTTON CLASSED UNDER SMITH-DOXEY ACT, (weekly during harvest)

☐ **SOUTHERN STATES**

☐ **WESTERN STATES**

☐ **UNITED STATES QUALITY OF COTTON GINNINGS, STATE AND NATINAL STATISTICS**, (monthly during harvest)

Other Reports (list):

☐ Check here if you want a sample copy only of reports checked above.

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(street address)

(city, state, and zip code)

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